

REDACTED VERSION

PHASE 2 GROUND WATER INVESTIGATION UPDATE

San Mateo Creek Basin Uranium Legacy Site

September 20, 2016

*Charge to
Tronox NAUM Account
A6KZ TR2 Fund*

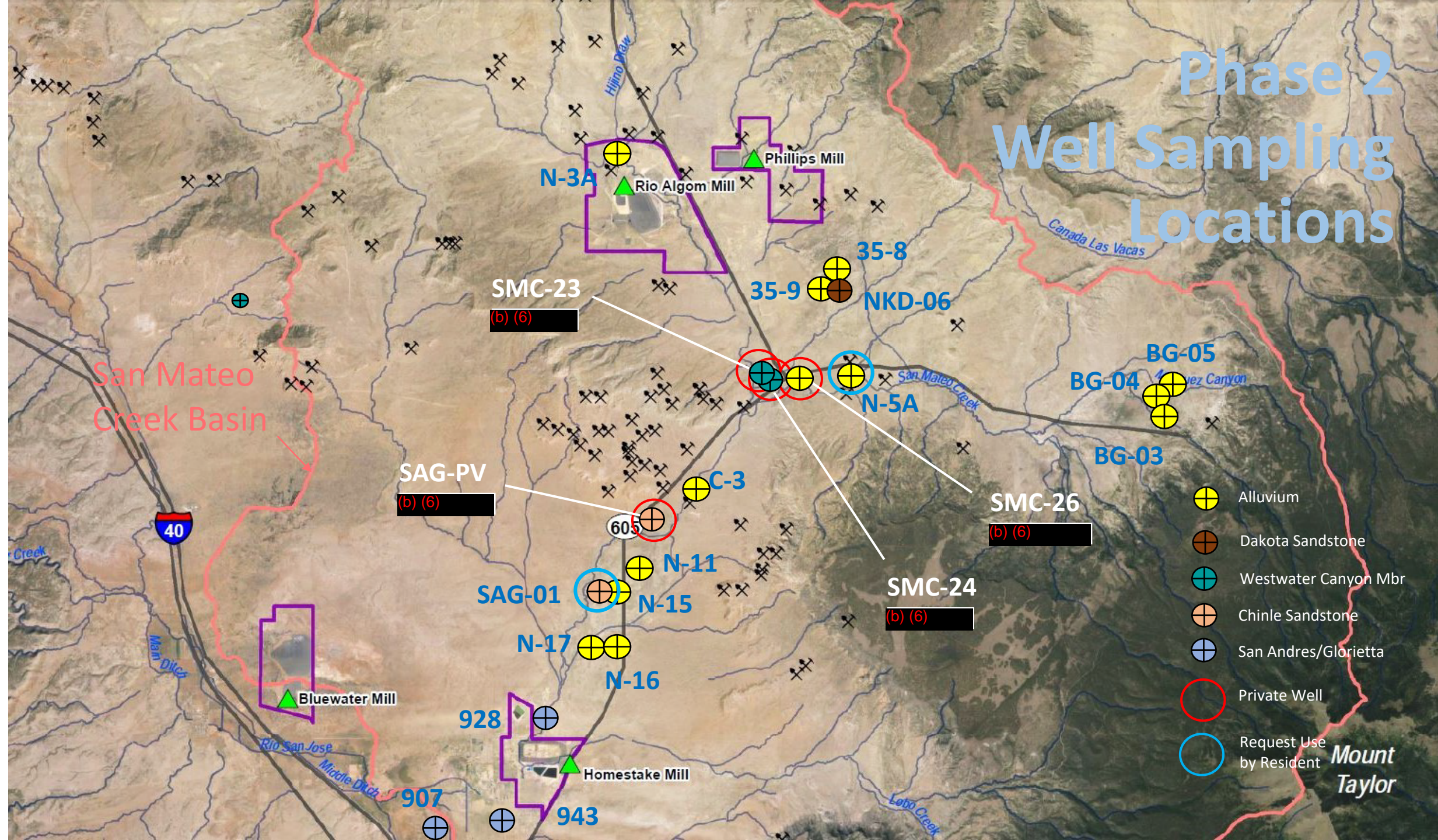
PHASE 2 COMPONENTS

- Characterize Bedrock Ground Water Quality
 - Focus on Dakota Sandstone
- Fill Data Gaps for Alluvial Ground Water Study
 - Target area north of Homestake NPL Site
- Private Well Sampling at Request of Land Owners or EPA



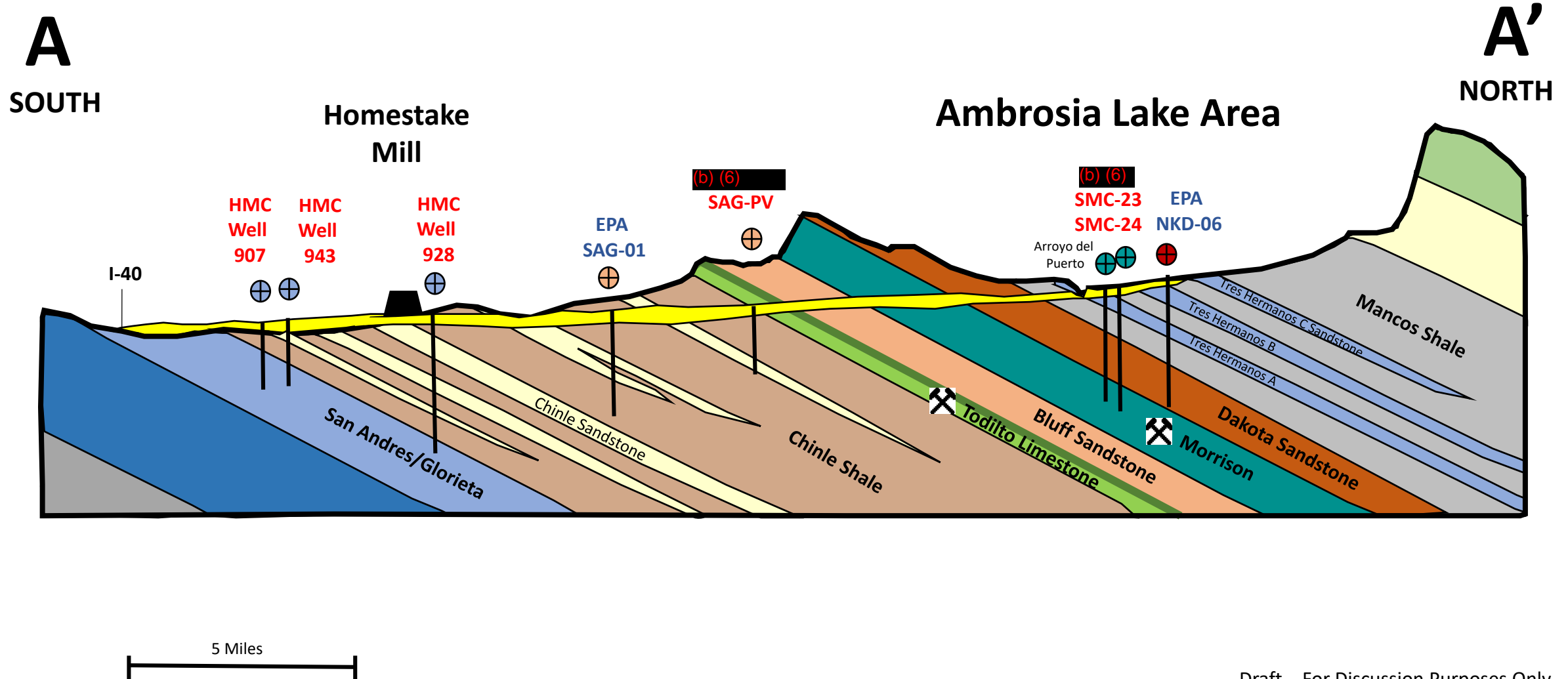
*21 new and
existing wells
sampled in
2015 and 2016*

Phase 2 Well Sampling Locations



BEDROCK AQUIFER WELLS SAMPLED

Generalized Cross Section Through San Mateo Creek Basin



PRIVATE WELL SAMPLE RESULTS

Parameter	Federal MCL	NM Drinking Water Standard	SMC-23 (b) (6)	SMC-24 (b) (6)	SMC-26 (b) (6)	SAG-PV (b) (6)
Gross Alpha	15		11.9	15.8	113	18
Uranium	0.030	0.030	0.013	0.029	0.200	0.001
Selenium	0.050	0.050	0.038	0.017	0.022	0.001
Nitrate as N	10	10	14	17	7.3	20 ND
		Other Standards for Domestic Water Supply - NM				
Chloride		250	59	59	17	24,000
Iron		1	0.013 ND	0.013 ND	0.013 ND	0.020
Manganese		0.200	0.001 ND	0.005	0.003	2.5
Sulfate		600	2,500	2,400	130	1,100
TDS		1,000	3,800	3,700	590	26,000
		NM Standards for Irrigation Use				
Aluminum		5	0.023	0.019 ND	0.019 ND	0.019 ND

EPA Monitoring Well Requested for Private Use

SAG-01 EPA	N-5A EPA
101	142
0.044	0.250
0.015	0.004
0.440	1.6
50	24
15	0.027 ND
0.350	0.013
610	420
2,100	980
45	0.020

NOTIFICATION OF RESULTS TO WELL OWNER

- Analytical Results
 - Prepare draft letter and summary of results
 - Hand deliver letters and discuss results
- Four Private Wells
 - Should not be used for drinking water supply
- Two EPA Monitoring Wells
 - Should not be used for drinking water supply
 - Exceed NM standards for Other Domestic Supply and Irrigation

PHASE 2 GROUND WATER REPORT STATUS

- Draft report from START contractor – October 2016
 - Interpretation of results – Ongoing
 - Chemical
 - Radionuclide
 - Isotope
 - Initial stratigraphic interpretation by EPA
 - Preparation of maps, cross-sections, tables – Ongoing
- Target Completion by January/February 2017
 - Includes 30-day review period by NM

STATUS OF PHASE 1 REPORT ROLL-OUT

- September 1 – Federal/State Partners
 - R9, NMED, MMD, DOE, NRC, BLM, DOI, USFS, USGS
- September 19 – Key Stakeholders
 - Tribes
 - BVDA
 - MASE
 - Industry
- Website
- October 20 – Tronox Quarterly Presentation
 - Navajo, R9, State
- Week of November 14 – Public Meetings

STATUS OF PHASE 3

Conceptual Site Model Development

- Requested proposals – Summer 2016
 - UT Bureau of Economic Geology (BEG)
 - USGS
- Plan to fund BEG for initial review of information – Fall, 2016
- Seek updated proposal from BEG – Early 2017